	Case 09-14814-gwz Doć 1263 Ehtered 0	8/16/10 15:32:26 Page 1 of 31	
1	Robert C. Maddox, Esq., NV Bar No. 4002 Troy L. Isaacson, Esq., NV Bar No. 6690	RECEIVED	
2	Norberto J. Cisneros, Esq., NV Bar No. 8782 MADDOX, ISAACSON & CISNEROS, LLP	AND FILE	
3	3811 West Charleston Blvd., Suite 110 Las Vegas, Nevada 89102	Aug 13 3 45 PM 10	
4	Telephone: (702) 366-1900		
5	Facsimile: (702) 366-1999 Attorneys for Creditors	U.S. DAMERINTO COMA Maro acquistica deam	
6	Charles and Wendy Bagley and Rickey and Doris Lofton		
7			
8	UNITED STATES BANKRUPTCY COURT		
9	DISTRICT	OF NEVADA	
10	In re:	: Case No.: BK-S-09-14814-LBR	
11	THE RHODES COMPANIES, LLC, aka	: (Jointly Administered)	
12	"Rhodes Homes" at al	Chapter 11	
13	Debtors.		
14 15	ERRATA TO MOTION OF CHARLES AND WENDY BAGLEY, AND RICKEY AND DORIS LOFTON FOR RELIEF FROM THE AUTOMATIC STAY OF 11 U.S.C. § 362(a)		
16	CHARLES and WENDY BAGLEY, and RICKEY and DORIS LOFTON (hereinafter		
17	"Creditors"), by and through their undersigned cour	nsel, hereby submit this Errata to Motion of Charles	
18	and Wendy Bagley, and Rickey and Doris Lofton for	Relief from the Automatic Stay of 11 U.S.C. § 362(a).	
19	The Errata consists of the Creditors' Complaint for Damages, identified as Exhibit "A."		
20	DATED this 9th day of August, 2010.		
21	MAI	DDOX, ISAACSON & CISNEROS, LLP	
22	-		
23	By:_	obest C Maddov Fea NV Per No 4002	
24	Т	cobert C. Maddox, Esq., NV Bar No. 4002 froy L. Isaacson, Esq., NV Bar No. 6690	
25	3	Norberto J. Cisneros, Esq., NV Bar No. 8782 811 West Charleston Blvd., Suite 110	
26		as Vegas, Nevada 89102 ttorneys for Creditors	
27			

MADDOX, ISAACSON & CISNEROS, LLP

An Association of Professional Corporations 3811 W. Charleston Blvd, Suite 110

1 /

CERTIFICATE OF MAILING

I hereby certify that on the 12th day of August, 2010, a copy of the attached ERRATA TO MOTION OF CHARLES AND WENDY BAGLEY, AND RICKEY AND DORIS LOFTON FOR RELIEF FROM THE AUTOMATIC STAY OF 11 U.S.C. § 362(a) was served upon the persons listed below, via first class mail, postage pre-paid:

SEE ATTACHED SERVICE LIST

An Employee of Maddox, Isaacson & Cisneros, LLP

Service List Case No. 09-14814-lbr

2	
3	Acceleron Group 2791 Soft Horizon Way
4	Las Vegas, Nevada 89135 Consultant
5	Shirley S. Cho, Esq. James I. Stang, Esq.
7	10100 Santa Monica Blvd., 11th Floor Los Angeles, California 90067 Attorneys for Debtor The Physics Communication LLC
8	The Rhodes Companies, LLC
9	Edward M. McDonald Office of the U.S. Trustee 300 South Las Vegas Blvd., Suite 4300
10	Las Vegas, Nevada 89101
11	J. Thomas Beckett, Esq. Parsons, Behlre & Latimer
12	201 South Main Street, Suite 1800 P.O. Box 45898
13	Salt Lake City, Utah 84145 Attorneys for Creditors Committee
14	Janet L. Chubb, Esq.
15	Jones Vargas 100 West Liberty Street, 12th Floor
16	P.O. Box 281 Reno, Nevada 89504
17	Attorneys for Creditor Commerce Associates, LLC
18	James B. Macrobbie, Esq.
19	Jeffrey R. Sylvester, Esq. Sylvester & Polednak, Ltd. 7371 Prairie Falcon, Suite 120
20	Las Vegas, Nevada 89128
21	Attorneys for Creditor Credit Suisse, Cayman Islands Branch
22	Robert R. Kinas, Esq. Snell & Wilmer, LLP
23	3883 Howard Hughes Pkwy., #1100 Las Vegas, Nevada 89169
24	Attorneys for Creditor Caterpillar Financial Services Corporation
25	Bart K. Larsen, Esq.
26	3320 West Sahara Ävenue, Suite 380 Las Vegas, Nevada 89102
27	Attorneys for Creditor Reef Colonial, LLC

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Zachariah Larson, Esq. Larson & Stephens 810 South Casino Center Blvd., Suite 104 Las Vegas, Nevada 89101 Attorneys for Reorganized Debtors and Debtor The Rhodes Companies, LLC

Rew R. Goodenow, Esq. P.O. Box 2790 Reno, Nevada 89505 Attorneys for Creditors Committee

Damon K. Dias, Esq Dias Law Group, Ltd. 601 South Sixth Street Las Vegas, Nevada 89101 Attorneys for Debtor X-It at 2-15, LLC

Charles M. Litt, Esq.
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Las Vegas, Nevada 89134
Attorneys for Creditor
The Preserve at Elkhorn Springs Homeowners
Association, Inc.

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Timothy P. Thomas, Esq.
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Steering Committee of Senior Secured Lenders

Janiece S. Marshall, Esq. Anderson, McPharlin & Conners, LLP 2300 West Sahara Avenue, 8th Floor Las Vegas, Nevada 89102 Attorneys for Creditor Stanley Consultants, Inc.

Thomas E. Crowe, Esq. 2830 South Jones Blvd., #3 Las Vegas, Nevada 89146 Attorneys for Creditors Shane Smith and Virginia Springall-Smith

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Eric Ransavage, Esq.
Shinnick, Ryan & Ransavage, PC
2881 Business Park Court, Suite 210
Las Vegas, Nevada 89128
Attorneys for Creditor
Leslie Blasco, et al.
Brett A. Axelrod, Esq.

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Donald H. Williams, Esq. 501 South Rancho Drive, Suite D-22 Las Vegas, Nevada 89106 Attorneys for Creditor Westar Kitchen & Bath, LLC

Jeffrey D. Olster, Esq.
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Attorneys for Creditor
Harsch Investment Properties - Nevada, LLC

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Marquis & Aurbach
10001 Park Run Drive
Las Vegas, Nevada 89145
Attorneys for Creditor
Dana Kepner Companies, LLC

Kirby C. Gruchow, Jr., Esq. Leach, Johnson, Song & Gruchow 5495 South Rainbow Blvd., Suite 202 Las Vegas, Nevada 89118 Attorneys for Creditor Nevada Power Company

Janina Guthrie 1225 Monterey Street Redlands, California 92373 Creditor

Exhibit A

Case 09-14814-gw Doc 1263 Entered 08/16/10 15:<u>3</u>2:26 Page 6 of 31 Electronically Filed 07/12/2010 03:07:17 PM **COMP** 1 Robert C. Maddox, Esq., NV Bar No. 4002 Troy L. Isaacson, Esq., NV Bar No. 6690 Norberto J. Cisneros, Esq., NV Bar No. 8782 **CLERK OF THE COURT** MADDOX, ISAACSON & CISNEROS, LLP 3811 West Charleston Blvd., Suite 110 4 Las Vegas, Nevada 89102 Telephone: (702) 366-1900 5 Facsimile: (702) 366-1999 Attorneys for Plaintiffs 6 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 CHARLES AND WENDY BAGLEY, husband CASE NO.: A- 10-620609- D MADDOX, ISAACSON & CISNEROS, LLP and wife; and RICKEY AND DORIS LOFTON, DEPT NO.: 10 husband and wife, $X \mid X$ PLAINTIFFS' COMPLAINT FOR 11 An Association of Professional Corporations 3811 W. Charleston Blvd, Suite 110 asociation of Professional Corporations Plaintiffs, DAMAGES 12 Vegas, Nevada 89102 vs. Exempt from Arbitration: 13 Claim in excess of \$50,000.00; and ALL DRYWALL & PAINT, INC., a Nevada **Public Policy - Construction Defect** corporation; ARISTOTLE ELECTRIC, INC., a 14 Claims Subject to Mandatory Chapter Nevada corporation; AR ORNAMENTAL 40 Mediation IRON, INC., a Nevada corporation; CAL-NEVA 15 ELECTRIC, a Nevada corporation; CANAC 16 KITCHENS U.S. LIMITED, a Delaware corporation; CEDCO, INC., a Nevada 17 corporation; DEAN CONCRETE, INC., a Nevada corporation; DESERT FIREPLACES 18 PLUS, INC., a Nevada corporation; HYNDS PLUMBING & HEATING CO., a Nevada 19 corporation; MAGNUM AIR, a Nevada corporation; MASTERVIEW WINDOW 20 COMPANY LLC, a Delaware Limited Liability Company; MESTAS ROOFING, INC., a Nevada 21 corporation; MS CONCRETE CO., INC., a Nevada corporation; PETE WHITE CONCRETE, INC., a Nevada corporation dba 23 WHITE EAGLE CONCRETE; QUALITY WOOD PRODUCTS, LTD., a Nevada 24 corporation; RCD MECHANICAL, INC., a Nevada corporation; SOUTHERN NEVADA 25 PAVING, INC., a Nevada corporation; STEWART & SUNDELL CONCRETE, INC., a 26 Nevada corporation; DOES 1 through 100; and ROE SUBCONTRACTORS 1 through 100, 27 inclusive, 28

Defendants.

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as Vegas, Nevada 89102.

COME NOW Plaintiffs, CHARLES AND WENDY BAGLEY, husband and wife; and RICKEY AND DORIS LOFTON, husband and wife, by and through their counsel, Maddox, Isaacson & Cisneros, L.I.P., and for causes of action against Defendants, and each of them, allege as follows:

GENERAL ALLEGATIONS

- Plaintiffs CHARLES AND WENDY BAGLEY are the purchasers and current owners of 0.1 real property commonly referred to as 9499 Malasana Court, situated in Clark County, Las Vegas, Nevada 89147, with a parcel number of 163-19-710-022.
- Plaintiffs RICKEY AND DORIS LOFTON are the purchasers and current owners of real property commonly referred to as 9474 Castillana Court, situated in Clark County, Las Vegas, Nevada 89147, with a parcel number of 163-19-710-033.
- 0.3 Pursuant to NRS §40.600 through 40.695 inclusive, Plaintiffs seek recovery for damages suffered by each of them as to their separate interests as delineated by law.
- 0.4 The Subject Properties and buildings thereupon, will hereinafter sometimes collectively be referred to as the "Subject Properties" and/or "Madrid Estates."
- 0.5 Prior to the filing of this complaint, on or about various dates between 2006 and 2009, Plaintiffs, in compliance with the provisions of NRS 40.645 and each subsection thereof, prepared and delivered to Developer, and each of them, a "Notice to Contractor" and list of known or identified defects together with reports by experts who performed inspections resulting in the said list of defects attesting to the fact that the said defects were common throughout the community.
- 0.6 Following delivery of the Notice to Contractor, and pursuant to demand by Respondents. Plaintiffs provided notice and opportunity to inspect the entirety of the community and representative sampling of the units comprising the same. Experts and representatives of Defendants appeared but failed and refused to do a thorough and complete inspection of the Subject Property and all through no fault on the part of Plaintiffs.
- 0.7 Following the said opportunity to inspect, Defendants provided no response to the Notice to Contractor as required by law and did not offer to or assert any right to repair as provided by law, thereby waiving the right to repair. Plaintiffs are now, therefore, authorized and permitted by the provisions of NRS 40.600 - 40.695 to bring and maintain this action in all respects.

0.8 Plaintiffs are informed and believe and thereon allege that, at all times relevant hereto
Defendants, ALL DRYWALL & PAINT, INC., a Nevada corporation; ARISTOTLE ELECTRIC, INC.
a Nevada corporation; AR ORNAMENTAL IRON, INC., a Nevada corporation; CAL-NEVA
ELECTRIC, a Nevada corporation; CANAC KITCHENS U.S. LIMITED, a Delaware corporation
CEDCO, INC., a Nevada corporation; DEAN CONCRETE, INC., a Nevada corporation; DESERT
FIREPLACES PLUS, INC., a Nevada corporation; HYNDS PLUMBING & HEATING CO., a Nevada
corporation; MAGNUM AIR, a Nevada corporation; MASTERVIEW WINDOW COMPANY LLC, a
Delaware Limited Liability Company; MESTAS ROOFING, INC., a Nevada corporation; MS
CONCRETE CO., INC., a Nevada corporation; PETE WHITE CONCRETE, INC., a Nevada
corporation dba WHITE EAGLE CONCRETE; QUALITY WOOD PRODUCTS, LTD., a Nevada
corporation; RCD MECHANICAL, INC., a Nevada corporation; SOUTHERN NEVADA PAVING,
INC., a Nevada corporation; STEWART & SUNDELL CONCRETE, INC., a Nevada corporation
(collectively "Subcontractors") were legal entities authorized to do business in Clark County, Nevada, and
who installed, designed, constructed or supplied materials for improvements and/or construction of the
Subject Property, and are therefore responsible in some manner for the defects and deficiencies in the
installation, design, construction or supplying of materials of the Subject Property, as generally alleged
herein, and Plaintiffs' damages related to such defects and deficiencies.

0.9 The true names and capacities of Defendants sued herein as DOES 1 through 100; and ROE SUBCONTRACTORS 1 through 100, inclusive, and each of them, are presently unknown to the Plaintiffs and therefore are sued under fictitious names. Plaintiffs are informed and believe, and thereon allege, that DOE and ROE Defendants are responsible for the planning, development, design, provision of materials, construction, supervision of construction, inspection, repair, approval, marketing, sale and/or management of the Subject Property and, therefore, they are responsible in some manner for the damages alleged herein by Plaintiffs. Plaintiffs are also are informed and believe, and thereon allege, that DOE and ROE Defendants had knowledge of or had a reasonable basis to know about the existence of defects and deficiencies at the Subject Property and the damages related thereto as alleged herein, but intentionally, negligently and/or recklessly failed to disclosed the same upon the sale of the Subject Property, and/or fraudulently concealed such known facts, to the detriment of subsequent purchasers, such that adequate

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and proper disclosures could be made to Plaintiffs.

0.10 The true names and capacities of Defendants sued herein as DOES 1 through 100; and ROE SUBCONTRACTORS 1 through 100, inclusive, and each of them, are presently unknown to the Plaintiffs and therefore are sued under fictitious names. Plaintiffs are informed and believe, and thereon allege, that DOE and ROE Defendants are responsible in some manner for the defective and negligent engineering, architecture, construction, supply of improper materials, and inspection of the subject residence, or in some other actionable manner were an integral part of the chain of development, construction and marketing of subject residence, and that Plaintiffs' damages as herein alleged were proximately caused by their conduct. Plaintiffs pray for leave to amend the Complaint when the true names and capacities of such Defendants are ascertained.

- The true names and capacities of Defendants sued herein as DOES 1 through 100; and 0.11ROE SUBCONTRACTORS 1 through 100, inclusive, and each of them, are presently unknown to the Plaintiffs and therefore are sued under fictitious names. Plaintiffs are informed and believe, and thereon allege, that DOE and ROE Defendants are the agents, servants and employees of his or her co Defendants, and in doing the things hereafter mentioned were acting in the scope of his or her authority as such agent, servant and employee, and with the permission and consent of his or her co-Defendants, and that each of said fictitiously named Defendants, whether an agent, corporation, association, or otherwise, is in some way liable or responsible to the Plaintiffs on the facts hereinafter alleged, and caused injuries and damages proximately thereby as hereinafter alleged. At such time as Defendants' true names become known to Plaintiffs, Plaintiffs will ask leave of the Court to amend the Complaint to insert said true names and capacities.
- 0.12Pursuant to NRS §40.645, on or about July 24, 2006, January 2, 2007, and December 17, 2008, Plaintiffs directed Notices of Constructional Defects to Defendants, and each of them, advising them of the constructional defects present within the Subject Property. True and correct copies of the initial Notices are attached hereto and made a part hereof as "Exhibit 1."
- 0.13Despite being presented with the Notices of Constructional Defects, Defendants, and each of them, either failed to perform adequate repairs to defective conditions, or failed to perform any repairs to the defects, within the Subject Property pursuant to the provisions of NRS § 40.600, et seq.

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FIRST CAUSE OF ACTION (Breach of Implied Warranties of Habitability, Quality, and Workmanship As Against All Defendants)

Plaintiffs reallege and incorporate by reference all preceding paragraphs of this Complaint 1.1 as though fully set forth herein.

- Plaintiffs are informed and believe and thereon allege that DOE and ROE Defendants 1.2 (subcontractors and design professionals) entered into contracts with Defendants to perform certain services or work with regard to the design, construction and inspection of construction of the Subject Property. Plaintiffs, and/or their predecessors in interest, were intended third-party beneficiaries of each and every such contract.
- Further, said DOE and ROE Defendants (subcontractors and design professionals), by 1.3 entering into said contracts with Defendants and/or Plaintiffs and/or their predecessors in interest, impliedly warranted that the Subject Property would be of good and merchantable quality and would be at least a quality as would be fit for the ordinary purpose for which the Subject Property were to be used and would be habitable. Further, said Defendants, and each of them, impliedly warranted the quality of construction of the Subject Property as provided in NRS 116.4114.
- 1.4 Defendants also impliedly warranted that said homes would be of good and merchantable quality and would be at least a quality as would be fit for the ordinary purposes for which such homes were to be used and would be habitable. Further, said Defendants, impliedly warranted the quality of construction of the Subject Property as provided in NRS 116.4114.
- 1.5 The Plaintiffs purchased their home in reliance on the implied warranties and promises made by the Defendants, the DOE and ROE Defendants, and each of them. Plaintiffs have duly performed all of the covenants and conditions of said contracts on their part to be performed.
- 1.6 Plaintiffs have notified Defendants, and each of them, of said breach of implied warranties and said Defendants have refused and continue to refuse to remedy these defects.
- 1.7 As a direct and proximate result of the breach of the implied warranties by Defendants and each of them as herein above alleged, Plaintiffs suffered damages stemming from the failure of the architectural, mechanical, electrical and geotechnical components and/or systems. Plaintiffs are presently unaware of the precise amount of damages, but will establish the same at the time of trial according to

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- 1.8 The foregoing list of defects is only partial, and Plaintiffs will seek leave to amend this Complaint or will, by Court Order, prepare a final list of defects describing the full nature and extent of defects at the Subject Property once ascertained.
 - 1.9 Plaintiffs hereby incorporate their prayers for relief as though set forth herein.

SECOND CAUSE OF ACTION (Breach of Express Warranties as Against All Defendants)

- 2.1 Plaintiffs reallege and incorporate by reference all preceding paragraphs of this Complaint as though fully set forth herein.
- 2.2 On various dates commencing in or about 2000, in Clark County, State of Nevada, the Plaintiffs, entered into contracts in writing with Defendants for the purchase from said Defendants of the Subject Property.
- 2.3 At the time of negotiations of said contracts, but before said contracts were executed between the Plaintiffs and/or their predecessors in interest and said Defendants, as an inducement to the Plaintiffs and/or their predecessors in interest to purchase the Subject Property, and as a part of the basis of the bargain of the parties that culminated in the making of the contracts, said Defendants expressly warranted to Plaintiffs and/or their predecessors in interest that the Subject Property were constructed in conformity with the applicable building codes and the specific codes and regulations of, among possibly others, Clark County, State of Nevada, the approved plans and specifications, and that said structures were and are sound and safe, and would remain so. Plaintiffs are further informed and believe, and thereon allege, that the express warranties made and used by said Defendants, and each of them, have at all relevant times been written in the form of, by example, and without limitation: advertising flyers, brochures, sales literature, promotional packages, signs, magazine and newspaper articles and advertisements, all designed to promote the sale of the Subject Property, and the belief that the Subject Property had been sufficiently constructed. Further, Plaintiffs allege that the express warranties were also oral, including without limitation, the complimentary statements made to Plaintiffs and/or their predecessors in interest, by agents of Defendants, and each of them, in marketing and offering the Subject Property for sale.

The Plaintiffs and/or their predecessors in interest, purchased said homes in reliance on

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defective conditions.

the express warranties, affirmations of fact, and promises made by Defendants. Plaintiffs, and each of 3 4 5

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them, have duly performed all the conditions and covenants of said contracts on their part to be performed. 2.5 Plaintiffs notified Defendants, and each of them, of said breach of contract and breach of warranties, and said Defendants, and each of them, have refused, and continue to refuse, to remedy these

- 2.6 As a direct and proximate result of the breach of express warranties (written and oral) by Defendant, and each of them, as herein above alleged, Plaintiffs suffered damages stemming from the failure of, among possibly other items, the architectural, mechanical, electrical and geotechnical components and/or systems.
- 2.7 The foregoing list of defects is only partial, and Plaintiffs will seek leave to amend this Complaint or will by Court Order prepare a final list of defects describing the full nature and extent of defects at the Subject Property once ascertained.
- 2.8 Plaintiffs have suffered damages in an amount not fully known but believed to be within the jurisdiction of this Court in that they have been and will hereafter be required to perform works of repair, restoration, and construction to portions of the structures to prevent further damage and to restore the structures to their proper condition. Plaintiffs will establish the precise amount of such damages at trial, according to proof.
 - 2.9 Plaintiffs hereby incorporate their prayers for relief as though set forth herein.

THIRD CAUSE OF ACTION (Negligence and Negligence Per Se as to All Defendants, Does 1 through 50, and Roes 1 through 50)

- 3.1 Plaintiffs reallege and incorporate by reference all preceding paragraphs of this Complaint as though fully set forth herein.
- Plaintiffs allege that Defendants, and each of them, knew or should have known that if the 3.2 Subject Property, subject structure and/or subject premises were not properly or adequately designed, engineered, marketed, supervised and/or constructed, that the owners and users would be substantially damaged thereby, and that the Subject Property, subject structure and/or subject premises would be

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- 3.4 Said Defendants, and each of them, breached their duty owed to Plaintiffs, failed and neglected to perform the work, labor and services properly or adequately in that each said Defendants so negligently, carelessly, recklessly and in an unworkmanlike manner designed, constructed and inspected the Subject Property and performed the aforesaid work, labor and/or services, such that the subject premises and subject structures and/or property as described herein were designed, engineered, and/or constructed improperly, negligently, carelessly, in an unworkmanlike manner, in violation of applicable code, including, but not limited to, the Uniform Building Code, and/or below the standard of care, thereby breaching the duty owed to Plaintiffs. Further, Defendants sellers knew or should have known that the premises were constructed in an unworkmanlike manner.
- 3.5 Defendants' negligence alleged above includes the failure to meet the applicable building codes and ordinances which were in effect. Plaintiffs are persons which the building codes and ordinances were designed to protect. Such violations are negligence per se on the part of Defendants, and each of them.
- As a direct and proximate result of the foregoing negligence and negligence per se, 3.6 carelessness and unworkmanlike conduct, actions and/or omissions by said Defendants, and each of them, Plaintiffs have suffered damages in an amount in excess of \$50,000.00. Plaintiffs are presently unaware of the precise amount of damages needed in order to correct the defective conditions of the Subject Property, subject premises and subject structures located thereon, but will establish the same at trial according to proof.
 - Plaintiffs hereby incorporate their prayers for relief as though set forth herein. 3.7

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FOURTH CAUSE OF ACTION

(Negligent Misrepresentation and Negligent Failure to Disclose as to All Defendants, Does 1 through 50, and Roes 1 through 50)

- 4.1 Plaintiffs reallege and incorporate by reference all preceding paragraphs of this Complaint as though fully set forth herein.
- 4.2 Plaintiffs allege that, at all relevant times, Defendants, and each of them, owed to Plaintiffs, and members of the general public a duty to disclose all conditions potentially having adverse impact upon the Subject Property, the value and their safety as well as stability. Plaintiffs allege that Defendants, and each of them, also owed Plaintiffs, their predecessors in interest, and/or members of the general public a duty to represent with reasonable accuracy the actual conditions, quality and significant factors concerning value, safety and stability of the Subject Property. As the builders, developers and sellers of said Subject Property, Defendants, and each of them, held a special relationship of trust and confidence with potential buyers such that duties of disclosure and accurate representations were incumbent upon Defendants, and each of them.
- 4.3 Plaintiffs allege that Defendants, and each of them, at all relevant times, in breach of the duties set forth above, negligently misrepresented and/or failed to disclose to Plaintiffs, and members of the general public, facts and information regarding the defective conditions known to Defendants and affecting the Subject Property, as described herein above.
- 4.4 Plaintiffs are informed and believe, and thereon allege, that Defendants, and each of them, knew or should have known that members of the public, including the Plaintiffs, would purchase the Subject Property and that Defendants, who have superior knowledge and expertise as builders, developers, designers and/or sellers of the Subject Property, were required to correct any such defects in the Subject Property and were further required not to sell such defective property and were also required to make such defects in the Subject Property known to Plaintiffs as prospective purchasers.
- 4.5 Had Plaintiffs known the undisclosed facts, Plaintiffs would have either investigated the condition and integrity of the Subject Property or declined to purchase the Subject Property, and Plaintiffs would not have relied, as they did, upon the representations of the Defendants, and each of them, that the Subject Property was generally in good condition and fit for their intended use and that all repair work and/or renovations had been successfully completed.

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	4.6	Plaintiffs allege that as a direct and proximate result of the defects set forth herein, Plaintiffs
have:	suffered	damages in an amount not fully known, but believed to be within the jurisdiction of this
Court	in that	they have been and will hereafter be required to perform works or repair, restoration, and
const	ruction (to portions of the Subject Property to prevent further damage and restore the Subject
Prope	rty, subj	ect premises and structures located thereon to their proper condition. Plaintiffs will establish
the pr	ecise an	ount of such damages at trial, according to proof.

4.7 Plaintiffs hereby incorporate their prayers for relief as though set forth herein.

WHEREFORE, Plaintiffs pray for judgment against Defendants, and each of them, as follows:

- 1. For general and special damages in excess of \$50,000.00 including, but not limited to, costs of repair, loss of market value, loss of use, loss of financing, loss of investment and out-of pocket expenses to be determined at the time of trial according to proof;
- 2. For reasonable attorneys' fees and costs according to proof;
- 3. For prejudgment and post-judgment interest on all sums awarded, according to proof at the maximum legal rate;
- 4. For all damages pursuant to NRS 40.600 through 40.495, in particular 40.650 and 40.655;
- 5. For costs of suit incurred; and
- 6. For such further and other relief as the Court may deem, fair, just and proper.

 DATED this _____ day of July, 2010.

MADDOX, ISAACSON & CISNEROS, LLP

By:

Robert C. Maddox, Esq., NV Bar No. 4002 Troy L. Isaacson, Esq., NV Bar No. 6690 Norberto J. Cisneros, Esq., NV Bar No. 8782 3811 West Charleston Blvd., Suite 110 Las Vegas, Nevada 89102 Attorneys for Plaintiffs

Exhibit 1

1 NOT Robert C. Maddox, Esq. Nevada Bar No. 4002 Troy L. Isaacson, Esq. Nevada Bar No. 6690 Don Springmeyer 4 Nevada Bar No. 1021 Robert C. Maddox & Associates 5 3811 West Charleston Blvd., Suite 110 Las Vegas, Nevada 89102 Telephone: (702) 366-1900 6 (702) 366-1999 Facsimile: 7 Attorneys for Claimants 8 CHARLES BAGLEY, 9 Claimant(s), NOTICE OF COMPLIANCE 10 WITH NEVADA REVISED vs **STATUTE 40.645** 11 RHODES DESIGN AND DEVELOPMENT 12 CORPORATION DBA RHODES HOMES, 13 Respondent(s). 14 RHODES DESIGN AND DEVELOPMENT CORPORATION DBA RHODES 15 **HOMES** 16 17 PLEASE TAKE NOTICE that this firm has been retained by Charles Bagley 18 ("Claimant") to notify you of constructional defect claims pursuant to NRS 40.600, et seq. 19 20 I. 21 NOTICE 22 This notice is made by certified mail, return-receipt requested, pursuant to NRS 23 40.645(1)(a), to RHODES DEVELOPMENT AND DESIGN CORPORATION DBA RHODES 24 HOMES, James Rhodes, President, 4730 South Fort Apache Road, Suite 300, Las Vegas, 25 Nevada 89147. 26 27 28

II.

THE PROJECT

The location of the claimant(s) residence is 9499 Malasana Court, Las Vegas, Nevada 89147 in the subdivision commonly known as Madrid Estates..

III.

COMMUNICATIONS

At the request of the Claimant(s), all communications, either verbal, written or otherwise regarding this matter must be made to, and through, the law office of ROBERT C. MADDOX & ASSOCIATES. Any communication made to the Claimant(s) by telecommunication or direct contact, unless otherwise specifically authorized through this law firm, should be directed to ROBERT C. MADDOX & ASSOCIATES, 3811 W. Charleston Blvd., Suite 110, Las Vegas, Nevada 89102.

IV.

TOLLING OF ALL RELEVANT STATUTES OF LIMITATION/REPOSE

This notice shall also commence the tolling provisions contained in NRS 40.695; thus any statutory and contractual limitations as they apply to Claimant(s) will be tolled during the entire NRS 40.600 process.

V.

THE DEFECTS

Pursuant to, and in compliance with, NRS §40.645.4(a),(b), and (c), this Notice contains the preliminary construction defect list, attached hereto and made a part hereof as Exhibit "A", thus far identified by the Claimant(s) hereto. The defect list in no way represents a complete investigation and should not be construed as a complete statement of all constructional defects, and Claimants reserve the right to amend and/or append the lists after further investigation/discovery.

VI.

REQUESTED DOCUMENTS

Pursuant to NRS 40.681, this is a demand that you immediately provide a copy of all relevant reports, photos, correspondence, plans, specifications, shop drawings, warranties, contracts, including contracts for insurance that cover RHODES DEVELOPMENT AND DESIGN CORPORATION DBA RHODES HOMES, subcontracts, work orders for repair, videotapes, audiotapes, and soil and other engineering reports that are not privileged.

VII.

PROTECTED CORRESPONDENCE

All documents and writings, including this notice, are protected by the document/mediation privilege set for in NRS 48.109 and by the explicit terms of NRS 40.680. The legislative purpose of NRS 40.600 et seq. is to settle construction defect claims without litigation. As such, all documents including this notice, are protected and privileged.

VIII.

MEDIATION DEMAND

Pursuant to NRS §40.680, demand is hereby made for the mandated pre-litigation mediation proceedings. We suggest Gary Nagle, Esq., as the mediator. Pursuant to NRS §40.680(2), you have 20 days to notify us of your approval of Mr. Nagle as the mediator or to provide us with alternative names.

IX.

PROCEDURE FOR CONTRACTOR'S RESPONSE

A. <u>Inspection</u>. Pursuant to NRS 40.6462 and NRS 40.647 you may, after receipt of this notice and upon your reasonable written request to this office, inspect the property.

- B. Offer. NRS 40.6472 further mandates that within 90 days from your receipt of this Notice you must provide a written response to each of the construction defect items. Your response must include details as to the nature and extent of the constructional defect, and unless the response is limited to a proposal for monetary compensation, the response must also include the method, adequacy and the request for and the estimated costs of any proposed repair. NRS 40.6472(2).
- C. Mediation. If disputes remain, the parties are required to submit to mediation before litigation is commenced by the Claimant(s). To the extent the contractor is unable or unwilling to effect proper repairs, Claimant(s) hereby propose mediation utilizing the services of Gary Nagle, Esq.
- D. <u>Correspondence address.</u> In satisfying the time requirements of NRS 40.600-695, any verbal and written communications, must be timely provided to ROBERT C. MADDOX & ASSOCIATES, 3811 W. Charleston Blvd., Suite 110, Las Vegas, Nevada 89102, (702) 366-1900. We appreciate your anticipated cooperation in this matter.

DATED: This 24th day of July, 2006,

ROBERT C. MADDOX & ASSOCIATES

By:

Robert C. Maddox, Esq.

Nevada Bar No. 4002 Don Springmeyer, Esq.

Nevada Bar No. 1021

Troy L. Isaacson, Esq. Nevada Bar No. 6690

Attorneys for Claimant

EXHIBIT "A"

9499 Malasana Court

- 1. Interior drywall cracks in entryway.
- 2. Interior drywall cracks, including, but not limited to, living room and front office windows.
- 3. Interior drywall ceiling cracks, including, but not limited to, front office.
- 4. Baseboards pulling away in living room.
- 5. Baseboards water stained and pulling away in powder and laundry room.
- 6. Water stains on ceiling in front office.
- 7. Water stains on walls of laundry room and powder room.
- 8. Drywall cracks on ceiling in garage.
- 9. Hollow, cracked tiles and grout coming out in front entryway and kitchen.
- 10. Problems with hardware at front door.
- 11. Water entry at side door in garage.
- 12. Foundation cracked in garage.
- 13. Heating ventilation and air conditioning does not heat /cool evenly and adequately.
- 14. Stucco ceiling on patio cracking.

}	NOT				
~	Robert C. Maddox, Esq.				
2	Nevada Bar No. 4002 (1) Troy L. Isaacson, Esq.				
3	Nevada Bar No. 6690				
-	Don Springmeyer				
4	Nevada Bar No. 1021				
ے	Robert C. Maddox & Associates				
ر.	3811 West Charleston Blvd., Suite 110 Las Vegas, Nevada 89102				
Ġ	Felephone: (702) 366-1900				
	Facsimile: (702) 366-1999				
7	Attorneys for Claimants				
8					
	CHARLES BAGLEY, 1				
9))				
73	Claimant(s), NOTICE OF COMPLIANCE				
()	WITH NEVADA REVISED				
{	STATUTE 40.645				
	RHODES DESIGN AND DEVELOPMENT (
2	CORPORATION DBA RHODES HOMES.)				
3	Respondent(s).				
	reapondent(3).				
4					
5	TO: RHODES DESIGN AND DEVELOPMENT CORPORATION DBA RHODES				
() j	HOMES				
-					
	PLEASE TAKE NOTICE that this firm has been retained by Charles Bagley				
8]					
9	"Claimant") to notify you of constructional defect claims pursuant to NRS 40,600, et seq.				
	1.				
n	1.				
,	NOTICE				
'	This notice is made by certified mail, return-receipt requested, pursuant to NRS 40.645,				
2)				
	a RHODES DEVELOPMENT AND DESIGN CORPORATION DBA RHODES HOMES,				
	James Rhodes, President, 4730 South Fort Apache Road, Suite 300, Las Vegas, Nevada 89147.				
1	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -				
5	, II.				
,	THE PROJECT				
, ;					
.	The location of the claimant(s) residence is 9499 Malasana Court, Las Vegas, Nevada				
	89147 in the subdivision commonly known as Madrid Estates.				
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	The second commonly known as washing Estates.				
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COMMUNICATIONS

At the request of the Claimant(s), all communications, either verbal, written or otherwise regarding this matter must be made to, and through, the law office of ROBERT C. MADDOX & ASSOCIATES. Any communication made to the Claimant(s) by telecommunication or direct contact, unless otherwise specifically authorized through this law firm, should be directed to ROBERT C. MADDOX & ASSOCIATES, 3811 W. Charleston Blvd., Suite 110. Las Vegas, Nevada 89102.

IV.

TOLLING OF ALL RELEVANT STATUTES OF LIMITATION/REPOSE

This notice shall also commence the tolling provisions contained in NRS 40.695; thus hny statutory and contractual limitations as they apply to Claimant(s) will be tolled during the entire NRS 40,600 process.

V.

THE DEFECTS

Pursuant to, and in compliance with, NRS §40.645, this Notice contains the preliminary construction defect list, attached hereto and made a part hereof as Exhibit "A", thus far identified by the Claimant(s). The defect list in no way represents a complete investigation and should not be construed as a complete statement of all constructional defects, and Claimants reserve the 20 right to amend and/or append the lists after further investigation/discovery.

VI.

REQUESTED DOCUMENTS

Pursuant to NRS 40.681, this is a demand that you immediately provide a copy of all relevant reports, photos, correspondence, plans, specifications, shop drawings, warranties, contracts, including contracts for insurance that cover RHODES DEVELOPMENT AND

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VII.

PROTECTED CORRESPONDENCE

All documents and writings, including this notice, are protected by the document / mediation privilege set for in NRS 48.105 and by the explicit terms of NRS 40.680. The legislative purpose of NRS 40.600 et seq. is to settle construction defect claims without litigation. As such, all documents including this notice, are protected and privileged.

VIII.

MEDIATION DEMAND

Pursuant to NRS §40.680, demand is hereby made for the mandated pre-litigation mediation proceedings. We suggest Gary Nagle, Esq., as the mediator. Pursuant to NRS §40.680, you have 20 days to notify us of your approval of Mr. Nagle as the mediator or to provide us with alternative names.

IX.

PROCEDURE FOR CONTRACTOR'S RESPONSE

- A. <u>Inspection</u>. Pursuant to NRS 40.6462 and NRS 40.647 you may, after receipt of this notice and upon your reasonable written request to this office, inspect the property.
- B. Offer. NRS 40.6472 further mandates that within 90 days from your receipt of this Notice you must provide a written response to each of the construction defect items. Your response must include details as to the nature and extent of the constructional defect, and unless the response is limited to a proposal for monetary compensation, the response must also include the method, adequacy and the request for and the estimated costs of any proposed repair. NRS 40.6472(2).
- C. <u>Mediation.</u> If disputes remain, the parties are required to submit to mediation before litigation is commenced by the Claiman(s). To the extent the contractor is

- unable or unwilling to effect proper repairs, Claimant(s) hereby propose mediation utilizing the services of Gary Nagle, Esq.
- D. <u>Correspondence address.</u> In satisfying the time requirements of NRS 40.600-695, any verbal and written communications, must be timely provided to ROBERT C. MADDOX & ASSOCIATES, 3811 West Charleston Blvd., Suite 110. Las Vegas, Nevada 89102, (702) 366-1900. We appreciate your anticipated cooperation in this matter.

DATED: This 2nd day of January, 2007.

ROBERT C. MADDOX & ASSOCIATES

Robert C. Maddox, Esq. Nevada Bar No. 4002 Don Springmeyer, Esq. Nevada Bar No. 1021 Troy L. Isaacson, Esq. Nevada Bar No. 6690 Attorneys for Claimant

EXHIBIT "A"

9499 Malasana Court

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NOT Robert C. Maddox, Esq. Nevada Bar No. 4002 Troy L. Isaacson, Esq. Nevada Bar No. 6690 Don Springmeyer Nevada Bar No. 1021 Roben C. Maddox & Associates 3811 West Charleston Blvd., Suite 110 Las Vegas, Nevada 89102 Telephone: (702) 366-1900 (702) 366-1999 Facsimile: Attorneys for Claimants 8 RICKY LOFTON SR & DORIS LOFTON, () NOTICE OF COMPLIANCE Claimant(s), WITH NEVADA REVISED 10 **STATUTE 40.645** V5 11 RHODES DESIGN AND DEVELOPMENT CORPORATION DBA RHODES HOMES, 12 13 Respondent(s). 14 RHODES DESIGN AND DEVELOPMENT CORPORATION DBA RHODES 15 TO: HOMES 16 PLEASE TAKE NOTICE that this firm has been retained by RICKY LOFTON SR & 17 DORIS LOFTON ("Claimants") to notify you of constructional defect claims pursuant to NRS 18 40.600, et seg. 19 NOTICE 20 This notice is made by certified mail, return-receipt requested, pursuant to NRS 21 40.645(1)(a), to RHODES DEVELOPMENT AND DESIGN CORPORATION DBA RHODES 22 HOMES, James Rhodes, President, 4730 South Fort Apache Road, Suite 300, Las Vegas, 23 Nevada 89147. 24 THE PROJECT II. 25 The location of the claimant(s) residence is 9474 Castillana Court, Las Vegas, Nevada 26 89147in the subdivision commonly known as Madrid Estates. 27 28

COMMUNICATIONS TH.

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TOLLING OF ALL RELEVANT STATUTES OF LIMITATION/REPOSE IV.

This notice shall also commence the tolling provisions contained in NRS 40.695; thus any statutory and contractual limitations as they apply to Claimant(s) will be tolled during the entire NRS 40.600 process.

THE DEFECTS

Pursuant to, and in compliance with, NRS §40.645.4(a),(b), and (c), this Notice contains 14 the preliminary construction defect list, attached hereto and made a part hereof as Exhibit A, thus 15 far identified by the Claimant(s) hereto. The defect list in no way represents a complete 16 Investigation and should not be construed as a complete statement of all constructional defects, 17 and Claimants reserve the right to amend and/or append the lists after further investigation/discovery.

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- C. <u>Mediation</u>. If disputes remain, the parties are required to submit to mediation before litigation is commenced by the Claimant(s). To the extent the contractor is unable or unwilling to effect proper repairs, Claimant(s) hereby propose mediation utilizing the services of Gary Nagle, Esq.

Correspondence address. In satisfying the time requirements of NRS 40.600-695, D. any verbal and written communications, must be timely provided to ROBERT C. MADDOX & ASSOCIATES, 3811 W. Charleston Blvd., Suite 110, Las Vegas, Nevada 89102, (702) 366-1900. We appreciate your anticipated cooperation in this matter.

DATED: This 17th day of December, 2008

ROBERT C. MADDOX & ASSOCIATES

Robert C. Maddox, Esq. Nevada Bar No. 4002 Troy L. Isaacson, Esq. Nevada Bar No. 6690 Attorneys for Claimants

EXHIBIT A

9474 Castillana Court

- 1. Cracking around the interior windows.
- Water stains around the windows, including but not limited to, the living room, family room, master bed room, upstairs bedrooms and bathrooms.
- Water stain on walls above master bedroom doors. Kitchen cabinets pulling away from walls.
- 4. Water staining around windows. Most notably in upstairs bedroom.
- 5. Cracking and gaps around windows throughout home.
- 6. Sticking windows throughout home most notably in front upstairs windows.
- Problems with operation of window hardware.
- 8. Squeaky flooring in upstairs.
- 9. Water entry at door head in garage entry.
- 10. Cracks in family room, hallway and master bedroom ceilings.
- 11. GFCI circuit breakers tripping excessively.
- 12. Looseness in plumbing faucets
- 13. Backwash and clogging in sinks.
- 14. Inadequate water pressure.
- 15. HVAC system does not heat and cool evenly.
- Stains in exterior walls which appear to be from roof. Rhodes conducted repairs to leaks previously.
- 17. Cracks around exterior door frames.
- 18. Cracks around exterior of windows.
- 19. Cracks on ceilings and walls of garage.
- 20. Sidewalk discolored and speckled.
- 21. Standing water, poor drainage and pooling on balcony.
- 22. Staining on balcony.
- 23. Rust on balcony railing.
- 24. Balcony/patios pulling away from building.
- 25. Electrical panels unbalanced.
- 26. Water intrusion under the threshold of the garage man door.